

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25

SENATE BILL 122

**48TH LEGISLATURE - STATE OF NEW MEXICO - SECOND SESSION, 2008**

INTRODUCED BY

Cisco McSorley

AN ACT

RELATING TO HIGHER EDUCATION; PROHIBITING CONSIDERATION OF  
INCOME FROM MILITARY SERVICE IN AWARDS UNDER THE PUBLIC SERVICE  
LAW LOAN REPAYMENT ACT; PROVIDING FOR AN APPEAL OF AN AWARD  
DETERMINATION.

BE IT ENACTED BY THE LEGISLATURE OF THE STATE OF NEW MEXICO:

Section 1. Section 21-22F-1 NMSA 1978 (being Laws 2005,  
Chapter 83, Section 1) is amended to read:

"21-22F-1. SHORT TITLE.--~~[This act]~~ Chapter 21, Article  
22F NMSA 1978 may be cited as the "Public Service Law Loan  
Repayment Act"."

Section 2. Section 21-22F-3 NMSA 1978 (being Laws 2005,  
Chapter 83, Section 3) is amended to read:

"21-22F-3. DEFINITIONS.--As used in the Public Service  
Law Loan Repayment Act:

.171333.1

underscored material = new  
[bracketed material] = delete

underscored material = new  
[bracketed material] = delete

1                   [A. ~~"commission" means the commission on higher~~  
2 ~~education;~~

3                   B.] A. "committee" means the public service law  
4 advisory committee;

5                   B. "department" means the higher education  
6 department;

7                   C. "legal education" means education at an  
8 accredited law school and any bar review preparation courses  
9 for the state bar examination;

10                  D. "loan" means money allocated to defray the costs  
11 incidental to a legal education under a contract between the  
12 federal government or a commercial lender and a law school  
13 student, requiring either repayment of principal and interest  
14 or repayment in services;

15                  E. "participating attorney" means an attorney who  
16 receives a loan repayment award from the [~~commission~~]  
17 department pursuant to the provisions of the Public Service Law  
18 Loan Repayment Act; and

19                  F. "public service employment" means employment  
20 with:

21                               (1) an organization that is exempt from  
22 taxation pursuant to Section 501(c)(3) of Title 26 of the  
23 United States Code and that provides for the care and  
24 maintenance of indigent persons in New Mexico through civil  
25 legal services;

.171333.1

- 1 (2) the public defender department; or  
2 (3) a New Mexico district attorney's office."

3 Section 3. Section 21-22F-5 NMSA 1978 (being Laws 2005,  
4 Chapter 83, Section 5) is amended to read:

5 "21-22F-5. LOAN REPAYMENT PROGRAM--PARTICIPANT  
6 ELIGIBILITY--AWARD CRITERIA.--

7 A. An applicant shall be licensed to practice in  
8 New Mexico as an attorney and shall declare an intent to  
9 practice as an attorney in public service employment.

10 B. Prior to submitting an application to the public  
11 service law loan repayment program, an applicant shall apply to  
12 all available legal education loan repayment programs offered  
13 by the applicant's law school for which the applicant  
14 qualifies.

15 C. An applicant who intends to practice as an  
16 attorney in a public service employment position that earns  
17 more than forty-five thousand dollars (\$45,000) per year is not  
18 eligible for participation in the public service law loan  
19 repayment program.

20 D. Prior to receiving a loan repayment award, the  
21 applicant shall file with the [~~commission~~] department:

22 (1) a declaration of intent to practice as an  
23 attorney in public service employment;

24 (2) proof of prior application to all legal  
25 education loan repayment programs offered by the applicant's

.171333.1

underscored material = new  
[bracketed material] = delete

1 law school for which the applicant qualifies; and

2 (3) documentation that includes the  
3 applicant's total legal education debt, salary, any amounts  
4 received by the applicant from other law loan repayment  
5 programs and other sources of income deemed by the [~~commission~~]  
6 department as appropriate for consideration; provided that the  
7 applicant shall not be required to disclose amounts of income  
8 from military service.

9 E. Award criteria shall provide that:

10 (1) preference in making awards shall be to  
11 applicants who:

12 (a) have graduated from the university  
13 of New Mexico law school;

14 (b) have the greatest financial need  
15 based on legal education indebtedness and salary;

16 (c) work in public service employment  
17 that has the lowest salaries; and

18 (d) work in public service employment in  
19 underserved areas of New Mexico that are in greatest need of  
20 attorneys practicing in public service employment;

21 (2) an applicant's employment as an attorney  
22 in public service employment prior to participation in the  
23 public service law loan repayment program shall not count as  
24 time spent toward the minimum three-year period of service  
25 requirement pursuant to the contract between the participating

.171333.1

underscored material = new  
[bracketed material] = delete

1 attorney and the [~~commission~~] department acting on behalf of  
2 the state;

3 (3) award amounts are dependent upon the  
4 applicant's total legal education debt, salary and [~~other~~]  
5 sources of income other than income from military service  
6 deemed by the [~~commission~~] department as appropriate for  
7 consideration;

8 (4) award amounts may be modified based upon  
9 available funding or other special circumstances;

10 (5) an award shall not exceed the total legal  
11 education debt of any participant; [~~and~~]

12 (6) award amounts shall be reduced by the sum  
13 of the total award amounts received by the participant from  
14 other legal education loan repayment programs; and

15 (7) an award determination may be appealed to  
16 the secretary of higher education.

17 F. The following legal education debts are not  
18 eligible for repayment pursuant to the Public Service Law Loan  
19 Repayment Act:

20 (1) amounts incurred as a result of  
21 participation in state or law school loan-for-service programs  
22 or other state or law school programs whose purposes state that  
23 service be provided in exchange for financial assistance;

24 (2) scholarships that have a service component  
25 or obligation;

.171333.1

underscored material = new  
[bracketed material] = delete

1  
2  
3  
4  
5  
6  
7  
8  
9  
10  
11  
12  
13  
14  
15  
16  
17  
18  
19  
20  
21  
22  
23  
24  
25

(3) personal loans from relatives or friends;  
and  
(4) loans that exceed individual standard  
school expense levels."